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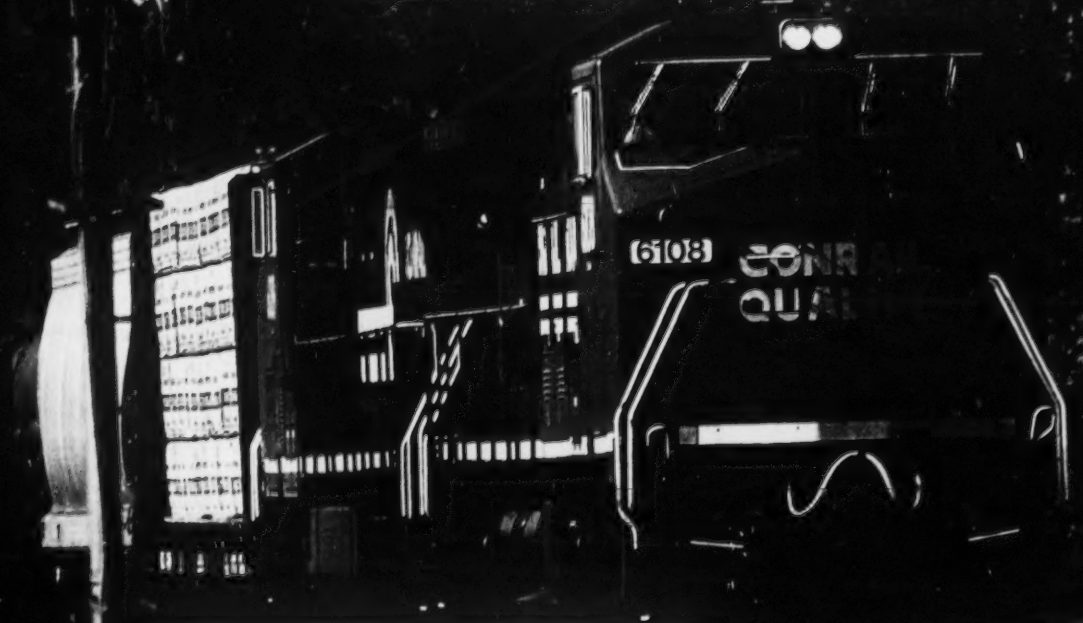
Railw

...for the new age of railway

Conrail puts quality up front



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Labor and management: Are times really changing?

Coordinated commuting: Chicago's grand plan

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Industry Outlook

D&A testing: A negative trend

Federal Railroad Administration numbers show that drug and alcohol testing results showed a reduction in the "positive" rate for the third straight year. FRA reports that in mandatory post-accident testing, 1.5% of employees tested positive in 1991, down from 3.2% in 1990 and 6% in 1988. In reasonable-cause testing, 2% tested positive, down from 2.2% in 1990 and 5.4% in '88. Reports on random testing, based on 50,000 tests, showed a positive rate of 0.9%, down from just over 1% in 1990. Federal Railroad Administrator Gil Carmichael said he found the results "gratifying."

Pittsburg, Calif., picked for MK railcar facility

Morrison Knudsen will spend more than $2 million to convert a former U.S. Steel plant at Contra Costa Industrial Park in Pittsburg, Calif., into a railcar manufacturing facility. Renovation of the plant begins this month and is to be completed in October. MK will use the facility initially to complete two major California orders. In March, the Bay Area Rapid Transit District (BART) awarded MK a $141.6 million contract for 80 new cars, with options that could bring total production to 250 cars.MK also has a $155-million order from the California Department of Transportation (Caltrans) for 88 cars. MK Chairman and CEO William K. Agee said the San Francisco Bay Area site "offers us a key vantage point for serving both domestic and foreign markets."

ECAP forecasts freight car resurgence

The latest ECAP Outlook for Freight Cars forecasts delivery of 26,600 new in 1992, compared with 24,600 delivered in 1991. ECAP expects deliveries to rise gradually over the next four years, exceeding 41,000 by 1995. Factors influencing new car demand include: expected steady increases in rail traffic, and increased car utilization. The following ECAP/ARCI table lists actual 1990-91 deliveries and projections for 1992-96:

CAR TYPE	1990	1991	1992	1993	1994	1995	1996
Box car	0.4	0.2	0.1	0.3	0.5	0.5	0.5
Covered Hopper	6.9	3.0	4.5	6.5	8.0	8.0	7.5
Flat Car	12.8	8.5	8.5	9.0	9.0	9.0	8.2
Articulated	12.2	6.8	6.0	7.0	7.5	7.5	7.0
Other	0.6	1.7	2.5	2.0	1.5	1.5	1.2
Open Hopper	3.8	3.6	3.0	4.5	6.5	7.5	8.0
Gondola	1.5	3.8	4.5	7.5	8.5	8.5	8.0
Tank	6.7	5.5	6.0	7.0	8.0	8.5	8.5
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total new	32.1	24.6	26.6	34.8	40.5	41.5	40.7
Rebuilds	5.7	7.4	5.8	6.0	5.8	5.5	5.5
Grand Total	37.8	32.0	32.4	40.8	46.3	47.0	46.2

Market Outlook

Equipment

Norfolk Southern: Is acquiring a custom-designed DC4170 ContChamp container reach stacker from Kalmar of Sweden. Delivery of the 23-foot wheelbase unit is expected this month. It will permit loaded containers at NS's Lambert's Point, Va., import/export terminal to be stacked four across, four high in the first row and three high in the second.

Burlington Northern: Will acquire a total of 1,000 jumbo-plus covered hopper cars from Trinity Industries. BN had earlier announced it would acquire 500 of the cars (*RA*, April, p. 20) but doubled the order because "after reviewing the long-term business plan, market expectations, and equipment lease prices, BN felt it was important to further reduce its reliance on leased cars," said Harry Baldaccini, equipment team leader for BN's covered hopper car fleet. Each of the cars will have the capacity to move 111 tons of grain.

Morrison Knudsen: Received orders totaling $35 million for the remanufacture or repair of 62 passenger and freight locomotives, all of the work to be performed at its Boise, Idaho, shop. In addition to a contract from New Jersey Transit for the rebuilding of six commuter locomotives, MK said it had won orders from three Class I railroads for rebuilding or repairing 56 freight units.

Facilities

Bombardier: Completed purchase of the Mexican carbuilder, Concarril, through a newly created Mexican subsidiary, Bombardier S.A. de C.V., which will be part of Bombardier's Transportation Equipment Group-North America. Concarril's operations were suspended last December to facilitate privatization. The order backlog includes 23 light rail vehicles for Monterrey, 32 light rail vehicles for Guadalajara, 100 freight cars for Mexican National Railways, and 100 freight cars for a U.S. railway, the Santa Fe.

DART: Issued notice to proceed to construction contractors on two projects: Hensel Phelps, on the one-mile, $19 million, Trinity River Light Rail Bridge; and S.A. Healy, on the 3.5 mile, $87 million Light Rail Tunnel between Mockingbird Lane and downtown Dallas. Both firms had begun preliminary site work by the end of April.

Union Switch & Signal: Received a $12.9 million signaling contract for Chicago's Union Station. US&S will provide vital logic to control and signal three interlockings, as well as signaling throughout the Chicago Union Station area. Testing and implementation of the equipment will be phased in over a 30-month period. US&S President Walter Alessandrini also announced that the company had received a contract to remanufacture 120 of its A-5 Model electro-pneumatic switch machines for Union Station. The machines have all been in service for more than 20 years. US&S says remanufacturing will save at least one-half the cost of a new unit. The remanufactured units will carry US&S's full, one-year new product warranty. Funding for the remanufacture project will come from the Chicago Union Station Co., Metra, and the Federal Transit Administration.

Revenue Freight Carloadings

Commodity	May 9 week	May 2 week	Apr 25 week	Apr 18 week
Grain	20,943	23,329	23,984	24,582
Other farm products	2,187	1,913	1,659	1,590
Metallic Ores	19,563	18,814	16,262	18,225
Coal	121,680	121,331	120,634	118,191
Crushed stone, sand and gravel	14,402	14,628	14,759	13,041
Nonmetallic minerals	9,047	8,683	9,426	8,538
Grain mill products	9,880	9,911	9,830	9,533
Food and kindred products	9,351	9,288	9,054	8,576
Primary forest products	8,828	9,043	9,100	9,278
Lumber and wood products	5,603	6,362	6,063	5,935
Pulp, paper and allied products	10,007	10,702	10,564	10,054
Chemicals	30,587	30,781	31,438	29,102
Petroleum products	5,530	5,292	5,481	5,045
Stone, clay and glass products	10,122	9,927	9,326	9,401
Coke	5,632	5,245	5,317	5,489
Metals and products	10,397	10,666	10,238	10,238
Motor vehicles and equipment	19,505	19,286	16,298	16,162
Waste and scrap materials	9,130	9,284	8,753	8,587
All other carloads	7,320	7,615	6,952	6,211
Total cars loaded	**329,714**	**332,100**	**325,138**	**317,778**
% change from previous year	4.0%	2.7%	0.4%	11.5%

		%change
Cumulative total: 19 weeks	6,004,013	2.3

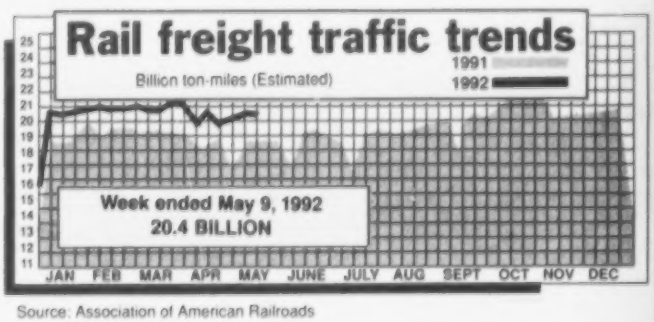
Estimated revenue ton-miles	**20.4**	**20.5**	**20.2**	**19.7**
% change from previous year	6.3	4.1	3.1	13.9

Total:	**1992**	**1991**	**%change**
19 weeks	387.6	369.2	5.0

Intermodal Traffic

	May 9	May 2	Apr 25	Apr 18
Trailers	61,667	65,219	59,379	58,200
Containers	66,089	64,986	62,522	62,322
Total	**127,756**	**130,205**	**121,901**	**120,522**
%change from previous year	9.8	12.2	8.8	32.1

		%change
Cumulative total: 19 weeks	2,338,822	8.3



Source: Association of American Railroads